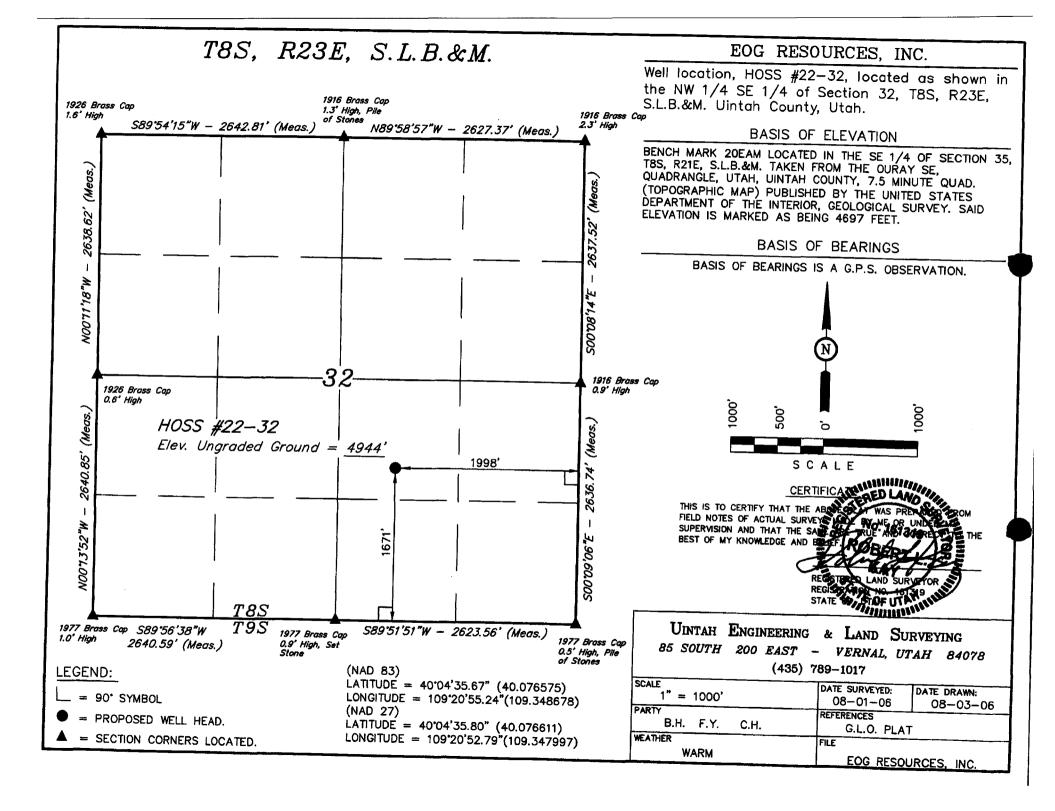
Form 3160 -3 (February 2005)			OMB !	No. 1004-0137 March 31, 2007	
UNITED STATES DEPARTMENT OF THE I BUREAU OF LAND MAN	5. Lease Serial No. UTU 56965				
APPLICATION FOR PERMIT TO			6. If Indian, Allote	e or Tribe Name	
la. Type of work:  DRILL REENTI	ER		7 If Unit or CA Ag	7 If Unit or CA Agreement, Name and No.	
lb. Type of Well: Oil Well Gas Well Other	Single Zone  Mult	iple Zone	8. Lease Name and HOSS 22-32		
2. Name of Operator EOG RESOURCES, INC			9. API Well No.	3647-3871	
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078	3b. Phone No. (include area code) 435-781-9111		10. Field and Pool, o		
4. Location of Well (Report location clearly and in accordance with an At surface 1671 FSL 1998 FEL NWSE 40.076 At proposed prod. zone SAME 440865		987	SECTION 3	Blk. and Survey or Area 2, T8S, R23E S.L.B.&M	
<ol> <li>Distance in miles and direction from nearest town or post office*</li> <li>37.7 MILES SOUTH OF VERNAL, UTAH</li> </ol>			12. County or Parish UINTAH	13. State	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)  410 DRILLING LINE	16. No. of acres in lease	17. Spacin	g Unit dedicated to thi	s well	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.  2980			/BIA Bond No. on file 2308		
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4944 GL	22. Approximate date work will st	art*	23. Estimated durat 45 DAYS	ion	
	24. Attachments				
<ol> <li>Well plat certified by a registered surveyor.</li> <li>A Drilling Plan.</li> <li>A Surface Use Plan (if the location is on National Forest System SUPO must be filed with the appropriate Forest Service Office).</li> </ol>	4. Bond to cover Item 20 above) Lands, the 5. Operator certif	the operation	ns unless covered by a	an existing bond on file (see	
25. Signature	Name (Printed Typed) KAYLENE R. GA	RDNER		Date 10/11/2006	
Approved by (Stendard) Title	Name (Printed/Typed) BRADLEY OfficeENVIRONMENT	'G. HI	ILL GER	Date 01-30-0-	
Application approval does not warrant or certify that the applicant hold conduct operations thereon.  Conditions of approval, if any, are attached.				I entitle the applicant to	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a c States any false, fictitious or fraudulent statements or representations as	rime for any person knowingly and to any matter within its jurisdiction.	willfully to m	nake to any department	or agency of the United	

\*(Instructions on page 2)

Federal Approval of this Action is Necessary

RECEIVED OCT 1 3 2006





EOG Resources, Inc. 1060 E Hwy 40 Vernal, Utah 84078

**CERTIFIED MAIL** ARTICLE NO: 7005 1820 0005 5392 9541

October 11, 2006

EnCana Oil & Gas (USA), Inc. Attention: Mr. Doug Jones 370 17th Street, Suite 1700 Denver, CO 80202

**RE: COMMINGLING APPLICATIONS** HOSS 22-32, HOSS 23-32, HOSS 21-32 **SECTION 32, T8S, R22E UINTAH COUNTY, UTAH LEASE: UTU-56965** 

Mr. Jones:

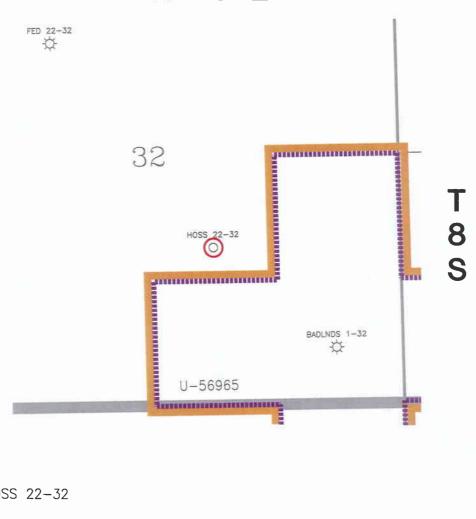
EOG Resources, Inc. has filed an application with the State of Utah Department of Oil Gas and Mining requesting commingling approval in the Wasatch and Mesaverde formations for the referenced wellbore. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from open hole logs. Production from the Wasatch, Mesaverde and Mancos formations will be commingled in the wellbore and produced through open ended 2-3/8" tubing landed below all perforations in the 4-1/2: production casing.

Attached is a map showing the location of all wells on contiguous oil and gas leases or drilling units and an affidavit showing that this application has been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.

Sincerely,

Kaylerle R. Gardner Sr. Regulatory Assistant

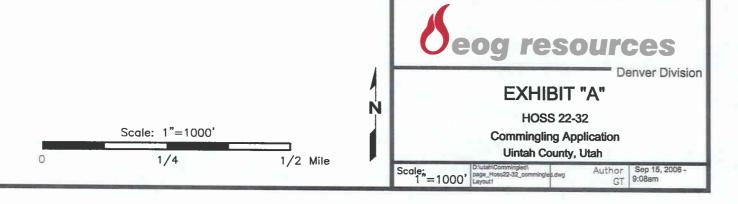
# R 23 E



HOSS 22-32

Badlands Unit Outline

Wasatch/Mesaverde/Mancos Fms P.A. "C"



STATE OF UTAH

) ss

## COUNTY OF UINTAH )

#### **VERIFICATION**

Kaylene R. Gardner, of lawful age, being first duly sworn upon oath, deposes and says:

She is the Sr. Regulatory Assistant of EOG Resources, Inc., of Vernal, Utah. EOG Resources, Inc. is the operator of the following described well:

## <u>HOSS 22-32</u> 1671' FSL – 1998' FEL (NWSE) SECTION 32, T8S, R23E UINTAH COUNTY, UTAH

EOG Resources, Inc., Encana Oil & Gas (USA) Inc, Exhibit A are the only owners in the well and/or of all contiguous oil and gas leases or drilling units overlying the pool.

On the 11<sup>th</sup> day of October 2006 she placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling in one wellbore for the subject well.

Said envelope which contained these instruments was addressed to the Utah Division of Oil, Gas & Mining, Bureau of Land Management, and Encana Oil & Gas (USA) Inc.

Further affiant saith not.

Kaylene R. Gardner Sr. Regulatory Assistant

Subscribed and sworn before me this 11th day of October, 2006.

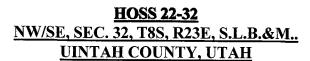
Notary Public
CHERYLE A. SNOW
3123 West 1790 South
Vernal, Utah 84078
My Commission Expires
August 1, 2009
State of Utah

Cheryle A. Snow Notary Pablic

My Commission Expires: August 1, 2009

## Exhibit "A" to Affidavit Hoss 22-32 Application to Commingle

Encana Oil & Gas (USA) Inc. 950 17th Street, Suite 2600 Denver, Colorado 80202 Attn: Mr. Doug Jones



## 1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	DEPTH (KB)
Green River FM	2,102'
Wasatch	4,996'
Chapita Wells	5,674'
Buck Canyon	6,374'
North Horn	6,958'
KMV Price River	7,505'
KMV Price River Middle	8,331'
KMV Price River Lower	9,156'
Sego	9,490'

Estimated TD: 9,700' or 200'± below Sego top

Anticipated BHP: 5,300 Psig

- 1. Fresh Waters may exist in the upper, approximately 1,000 ft  $\pm$  of the Green River Formation, with top at about 2,000 ft  $\pm$ .
- 2. Cement isolation is installed to surface of the well isolating all zones by cement.

EOG Resources, Inc. requests authorization for commingling of production from the Wasatch and Mesaverde formations in the referenced wellbore. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from open hole logs. Production from the Wasatch and Mesaverde formations will be commingled in the wellbore and produced through open ended 2-3/8" tubing landed below all perforations in the 4-1/2: production casing.

Attached is a map showing the location of all wells on contiguous oil and gas leases or drilling units and an affidavit showing that this application has been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.

## 3. PRESSURE CONTROL EQUIPMENT:

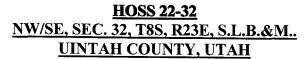
Production Hole – 5000 Psig

BOP schematic diagrams attached.

#### 4. CASING PROGRAM:

<u>H</u>	OLE SIZE	E INTERVAL	<b>SIZE</b>	<b>WEIGHT</b>	GRADE	THREAD	E /BURST/ TENSILE
	· · -	0' - 45'	13 %"	48.0#	H-40	STC	 1730 PSI 322,000#
		$45' - 2,300'KB \pm$		36.0#	J-55	STC	3520 Psi 394,000#
Production:	7-7/8"	$2,300' \pm - TD$	4-1/2"	11.6#	P-110	LTC	10,710 Psi 284,000#

DATING PACTOR



Note: 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5%" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone. All casing will be new or inspected.

#### 5. Float Equipment:

#### Surface Hole Procedure (0'- 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

Float Equipment: (Cont'd)

#### Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

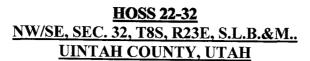
#### 6. MUD PROGRAM

#### Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

<u>Production Hole Procedure (2300' $\pm$  - TD):</u> Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'±-TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.



#### 7. VARIANCE REQUESTS:

Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations Reference:

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

#### 8. EVALUATION PROGRAM:

Logs:

Mud log from base of surface casing to TD.

Cased-hole Logs:

Cased-hole logs will be run in lieu of open-hole logs consisting of the following:

Cement Bond / Casing Collar Locator and Pulsed Neutron

## 9. CEMENT PROGRAM:

#### Surface Hole Procedure (Surface - 2300'±):

Lead:

Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCI<sub>2</sub>, 3 lb/sx GR3 #/sx

Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

Tail:

Class "G" cement with 2% CaCI<sub>2</sub>, ½#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps

water.

Top Out: As necessary with Class "G" cement with 2% CaCI<sub>2</sub>, ½#/sk Flocele mixed at 15.6 ppg, 1.18

ft<sup>3</sup>/sk., 5.2 gps water.

Note:

Cement volumes will be calculated to bring lead cement to surface and tail cement to

500'above the casing shoe.

## Production Hole Procedure (2300'± - TD)

Lead:

155 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44

(Salt),0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29

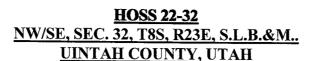
(cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

Tail:

920 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13

(Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at

14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.



Note:

The above number of sacks is based on gauge-hole calculation.

Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe. Tail volume to be calculated to bring cement to 400'± above top of Wasatch. Final Cement volumes will be based upon gauge-hole plus 45% excess.

## 10. ABNORMAL CONDITIONS:

#### Surface Hole (Surface - 2300'±):

Lost circulation

#### **Production Hole (2300'± - TD):**

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

#### 11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

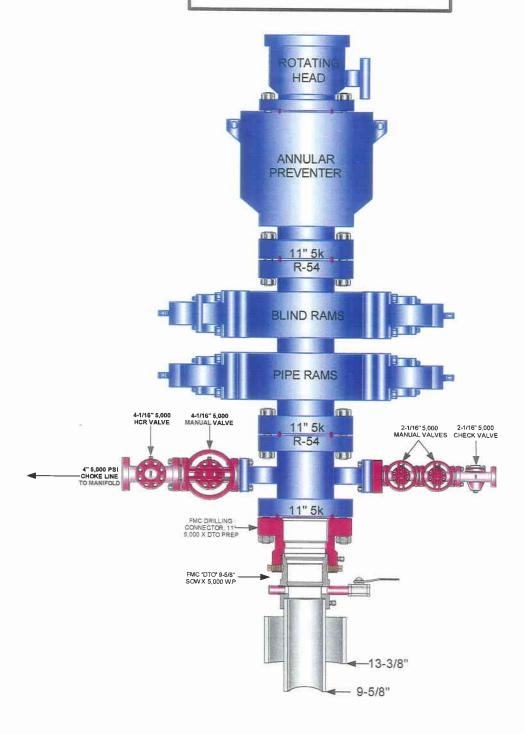
#### 12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

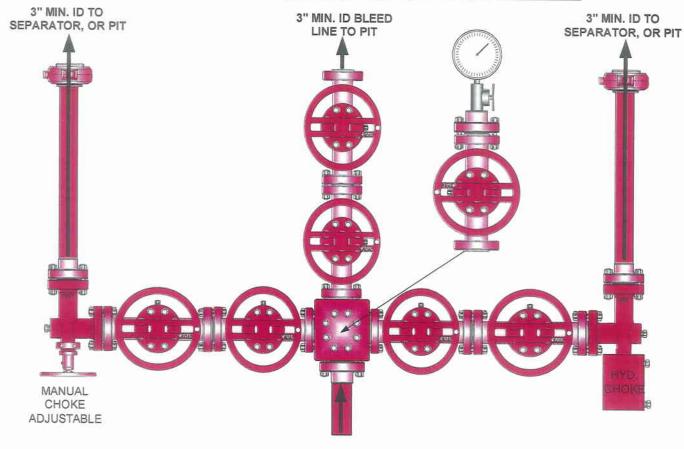
# EOG RESOURCES 11" 5,000 PSI W.P. BOP CONFIGURATION

#### PAGE 1 OF 2



# EOG RESOURCES CHOKE MANIFOLD CONFIGURATION W/ 5,000 PSI WP VALVES

PAGE 2 0F



4" 5,000 PSI CHOKE LINE FROM HCR VALVE

#### Testing Procedure:

- 1. BOP will be tested with a professional tester to conform to Onshore Order #2.
- 2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
- 3. Annular Preventer will be tested to 50% working pressure, 2,500 psi. Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
- 4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
- 5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.



## HOSS 22-32 NWSE, Section 32, T8S, R23E Uintah County, Utah

#### SURFACE USE PLAN

#### NOTIFICATION REQUIREMENTS

Location Construction: Forty-eight (48) hours prior to construction of location and access

roads.

Location Completion: Prior to moving on the drilling rig.

Spud Notice: At least twenty-four (24) hours prior to spudding the well.

Casing String and Twenty-four (24) hours prior to running casing and cementing

Cementing: all casing strings.

BOP and related Twenty-four (24) hours prior to running casing and tests. Equipment Tests:

First Production Notice: Within five (5) business days after new well begins or production

resumes after well has been off production for more than ninety (90)

days.

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. The well access road is approximately 2112 feet long with a 30-foot right-of-way, disturbing approximately 1.45 acres. New surface disturbance associated with access road and the well pad is estimated to be approximately 3.29 acres. The pipeline is approximately 2710 feet long with a 40-foot right-of-way, within Federal Lease UTU-56965 disturbing approximately 2.49 acres.

#### 1. EXISTING ROADS:

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 37.7 miles south of Vernal, Utah See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

#### 2. PLANNED ACCESS ROAD:

- A. The access road will be approximately 2112' in length, with one (1)-18"x40' CMP.
- B. Two armored low water crossings shall be installed where the access road crosses the main drainage.
- C. The access road has a 30 foot ROW w/18 foot running surface.
- D. Maximum grade of the new access road will be 8 percent.
- E. No turnouts will be required.
- F. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- G. No bridges, or major cuts and fills will be required.
- H. The access road will be dirt surface, gravel shall be used as needed.
- I. No gates, cattleguards, or fences will be required or encountered.
- J. No permanent road right-of-way on Federal acreage is required.

All travel will be confined to existing access road right-of-way.

New or reconstructed roads will be centerlined – flagged at time of location staking.

The road shall be constructed/upgraded to meet the standards to the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation or debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around then avoided

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Third Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

#### 3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:

See attached TOPO map "C" for the location of wells within a one-mile radius.

## 4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:

#### A. On Well Pad

- Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400 BBL vertical tanks and attaching piping.
- 2. Gas gathering lines A 4" gathering line will be buried from dehy to the edge of the location.
- 3. The area inside the anchors where truck traffic will occur shall be graveled as needed.

#### B. Off Well Pad

- 1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
- 2. The length of the new proposed pipeline is 2710' x 40'. The proposed pipeline leaves the eastern edge of the well pad (Lease UTU 56065) proceeding in a westerly direction for an approximate distance of 2710' tieing into an existing

pipeline located in the SESW of Section 32, T8S, R23E (Lease UTU-56065). Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lok, electric weld with a 35 mil X-Tru coating.

- 3. Proposed pipeline will be a 4" OD steel, Zap-Lok line laid on the surface. The proposed pipeline shall be buried at the low water crossings.
- 4. Protective measures and devices for livestock and wildlife will be taken and /or installed where required.
- 5. The south side of the location shall be bermed once the reserve pit is closed.
- 6. Rip rap shall be used around corner #2.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. All existing facilities will be painted with Carlsbad Canyon. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

#### 5. LOCATION AND TYPE OF WATER SUPPLY:

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/ or Target Trucking Inc.'s water source in the SW/SW. Sec 35, T9S, R22E Uintah County, Utah (State Water Right # 49-1501, and/or Bonanza Power Plant water source in Sec 26, T8S, R23E Uintah County, UT (State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

#### 6. Source of Construction Materials:

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

#### 7. METHODS OF HANDLING WASTE DISPOSAL:

#### A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
- 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or by removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt and a 12 millimeter plastic liner.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

#### 8. ANCILLARY FACILITIES:

None anticipated.

#### 9. WELL SITE LAYOUT:

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the east corner of the location. The flare pit will be located downwind of the prevailing wind direction on the south side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil west of corner #5. The stockpiled location topsoil will be stored between corners #3 and #2. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpiller tractor.

Access to the well pad will be from the west.

#### FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion

of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

#### 10. PLANS FOR RECLAMATION OF THE SURFACE:

#### A. Producing Location

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Crested Wheatgrass	6.0
Needle and Threadgrass	6.0

<sup>\*</sup>Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

#### B. Dry Hole/Abandoned Location

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Fourwing saltbush	3.0
Indian ricegrass	2.0
Crested Wheatgrass	2.0
Needle and Threadgrass	2.0
Scarlet globe mallow	1.0

<sup>\*</sup>Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

#### 11. SURFACE OWNERSHIP:

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

**Bureau of Land Management** 

#### 12. OTHER INFORMATION:

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:
  - Whether the materials appear eligible for the National Register of Historic Places;
  - The mitigation measures the operator will likely have to undertake before the site can be used.
  - A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application or herbicides or other pesticides or possible hazardous chemicals.
- C. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.
- D. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" and "Right-of-Way grant", if applicable, will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A cultural resources survey was conducted and will be submitted by Montgomery Archaeological Consultants. A Paleontology survey was conducted and will be submitted 9/3/2006 by Dr. Wade Miller.

#### **ADDITIONAL SURFACE STIPULATIONS:**

No construction or drilling will be allowed during the Antelope kidding season of May 15<sup>th</sup> to June 20<sup>th</sup> unless clearance has been obtained by the BLM wildlife biologist.

Prior to any construction between February 1<sup>st</sup> and July 15<sup>th</sup>, all areas within 0.5 mile of the proposed location shall be surveyed for golden eagles as well as other raptors. If active nests are identified, no surface disturbance will occur until the nest has been inactive for a two-year period. If no active nests are found within 0.5 mile of the proposed location, construction and drilling can occur.

## LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

#### PERMITTING AGENT

Kaylene R. Gardner EOG Resources, Inc. P.O. Box 1815 Vernal, Ut 84078 (435) 781-9111

#### **DRILLING OPERATIONS**

Donald Presenkowski EOG Resources, Inc. P.O. Box 250 Big Piney, WY 83113 307-276-4865

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the Hoss 22-32 well, located in NWSE, of Section 32, T8S, R23E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

October 11, 2006

Date

Verle R. Gardner, Sr. Regulatory Assistant

### Request for Exception to Buried Pipeline Requirement HOSS 22-32 NWSE, Sec. 32, T8S, R23E UTU-56965

EOG Resources, Inc. requests a variance to the requirement for a buried gas sales pipeline for the referenced well for the following reasons:

- 1. In order to bury pipe on the gas sales line route, additional surface disturbance relative to surface pipeline would be approximately <u>50'X Length</u> acres.
- 2. Ripping, cutting, or blasting of rock would be required, which in turn would leave long-term spoils on the right-of-way.
- 3. The disturbed soils on the pipeline corridor would be difficult to rehabilitate and would be susceptible to noxious weed infestation, which in turn would be hazardous to livestock.
- 4. Supplemental soil to replace removed rock would need to be hauled in from other locations to provide bedding and cover material.
- 5. The buried pipe would need to be coated and/or wrapped to minimize the potential for corrosion-caused gas leaks and blowouts.
- 6. Burying of pipe next to access roads increases the potential for damage, explosion, and fire when using graders and/or dozers for snow removal or road rehabilitation.
- 7. Surface equipment, including risers with blow down valves and pipeline markers will be required, adding to negative visual impact.
- 8. Disturbance of previously rehabilitated pipeline corridor could be necessary if increasing well density requires crossing of the corridor or location construction on the corridor.
- 9. Pipeline corridors subject to poor rehabilitation characteristics are susceptible to high rates of soil erosion.
- 10. Buried shallow pipelines in low areas subject to the occasional presence of standing water are susceptible to movement and surfacing.

# EOG RESOURCES, INC. HOSS #22-32

LOCATED IN UINTAH COUNTY, UTAH **SECTION 32, T8S, R23E, S.L.B.&M.** 

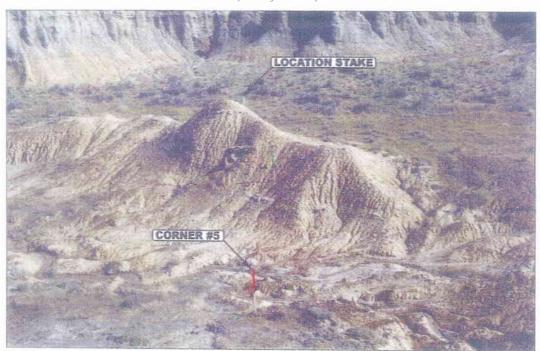


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

**CAMERA ANGLE: NORTHELRY** 

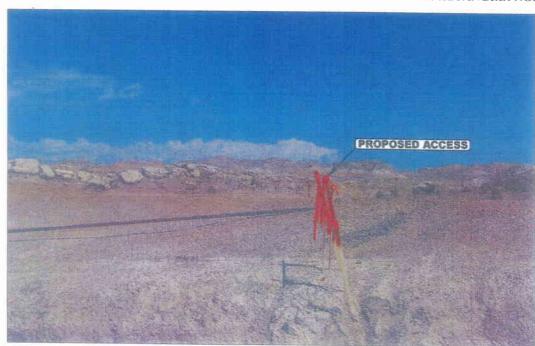


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

**CAMERA ANGLE: NORTHERLY** 

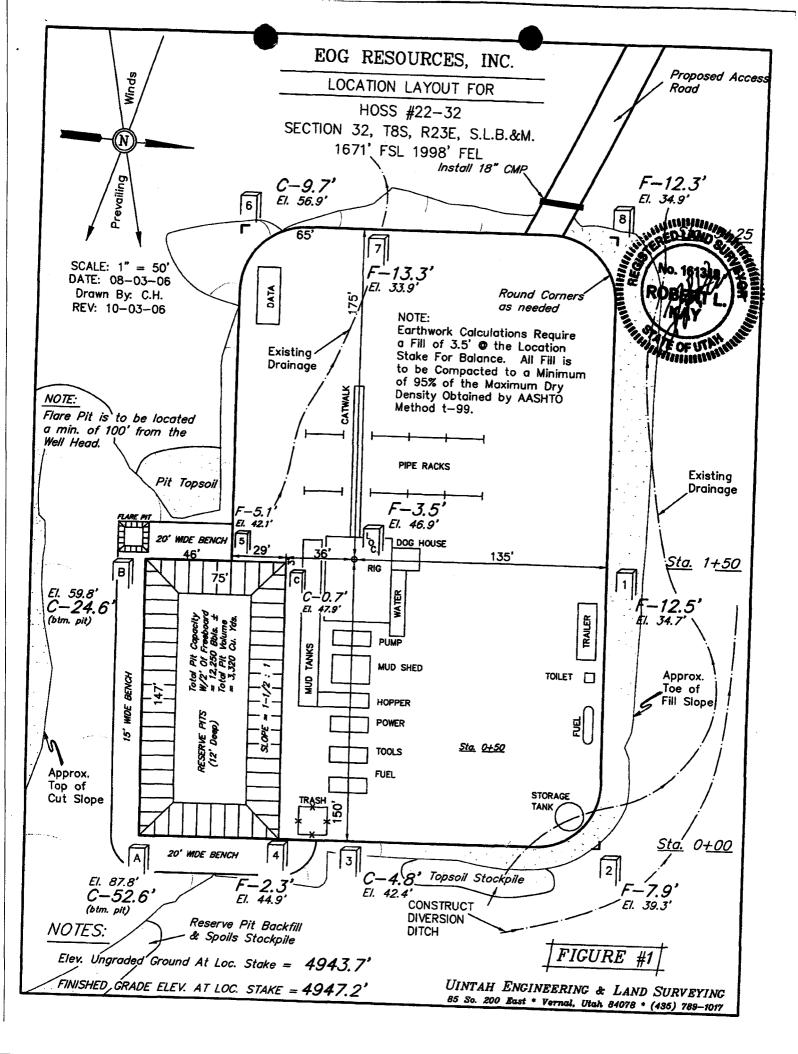


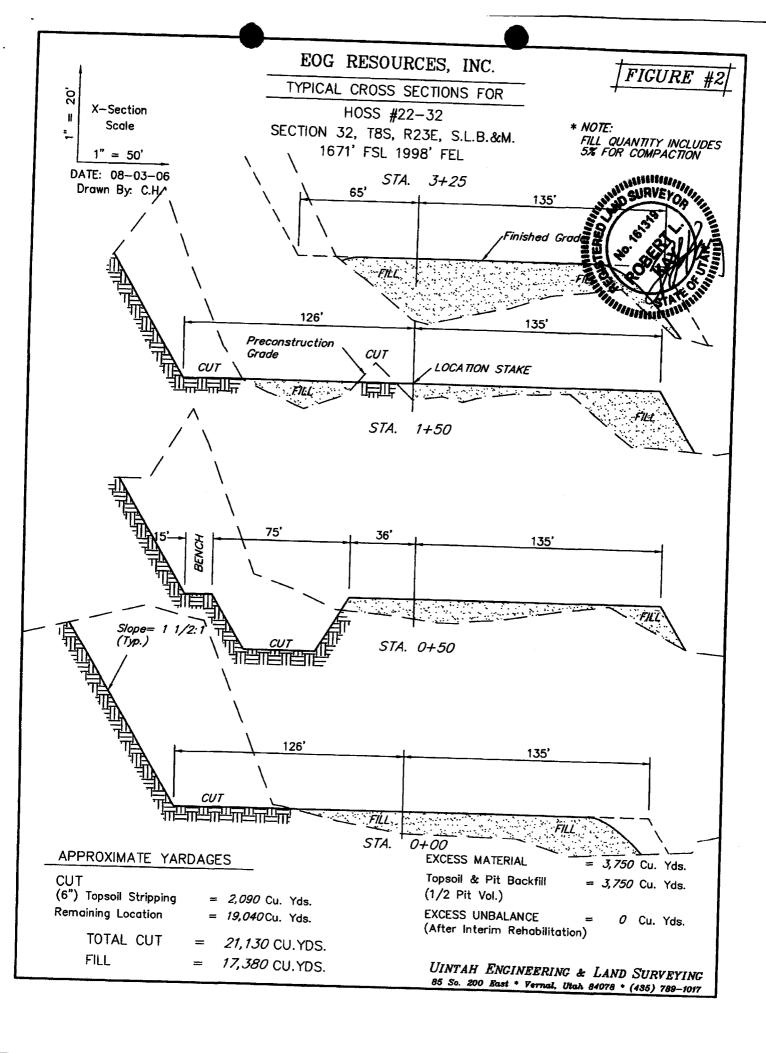
	THE RESIDENCE	A LOUISING		Santan Contract	The Street Land
LOCATION	PHOTOS	08 MONTH		06 YEAR	РНОТО
TAKEN BY: B.H.	DRAWN BY: B.	C. REV	ISED:	00-00-00	

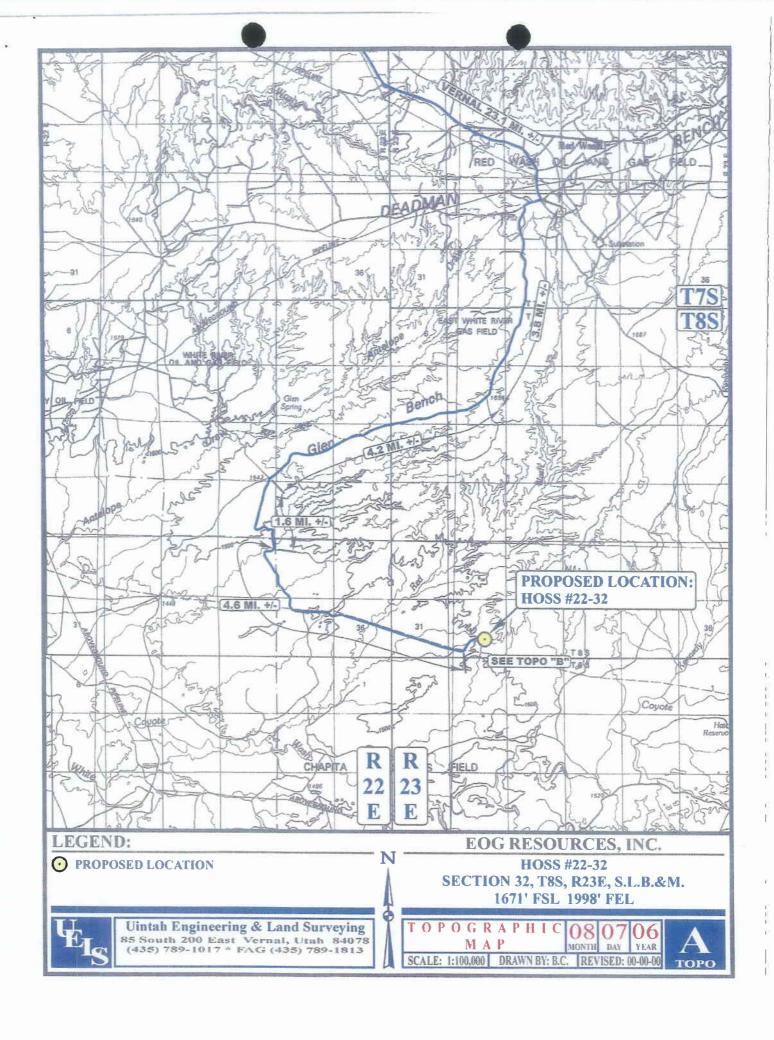
# EOG RESOURCES, INC. HOSS #22-32 SECTION 32, T8S, R23E, S.L.B.&M.

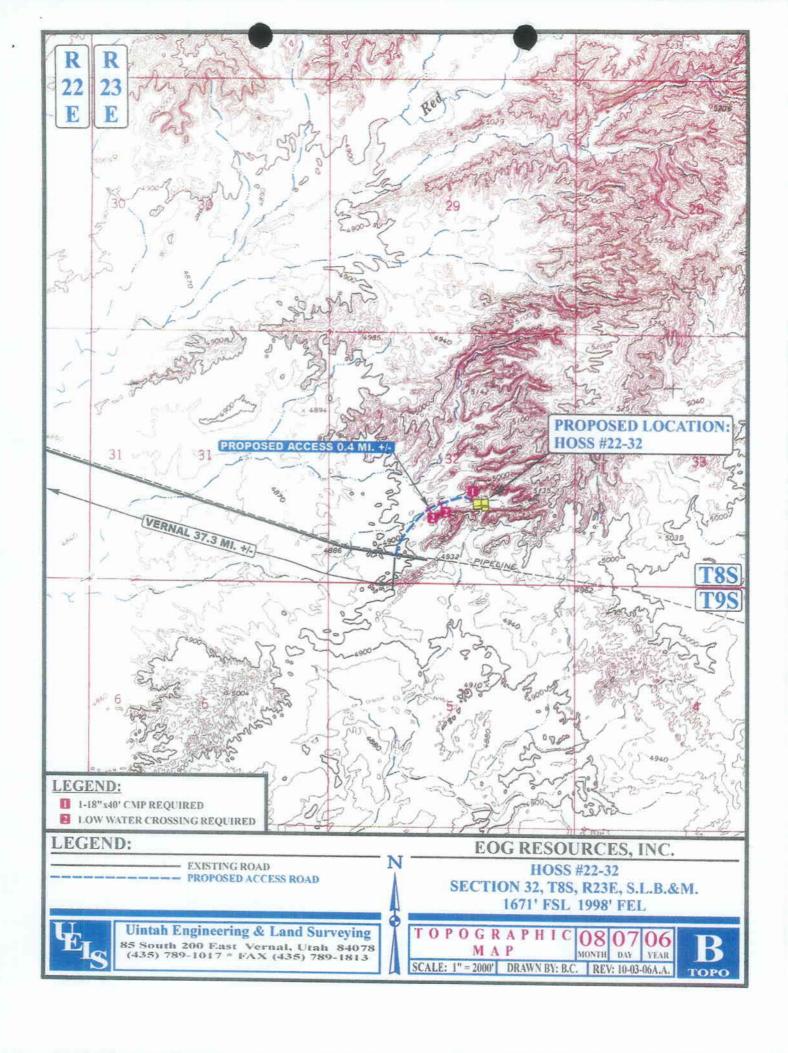
PROCEED IN AN EASTERLY, THEN SOUTHERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.9 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 19.2 MILES ON STATE HIGHWAY 45 TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 3.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE TURN RIGHT AND PROCEED IN A SOUTHWESTERLY SOUTHWEST: DIRECTION APPROXIMATELY 4.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY, **THEN EASTERLY** THEN SOUTHERLY APPROXIMATELY 1.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 4.6 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE PROPOSED LOCATION.

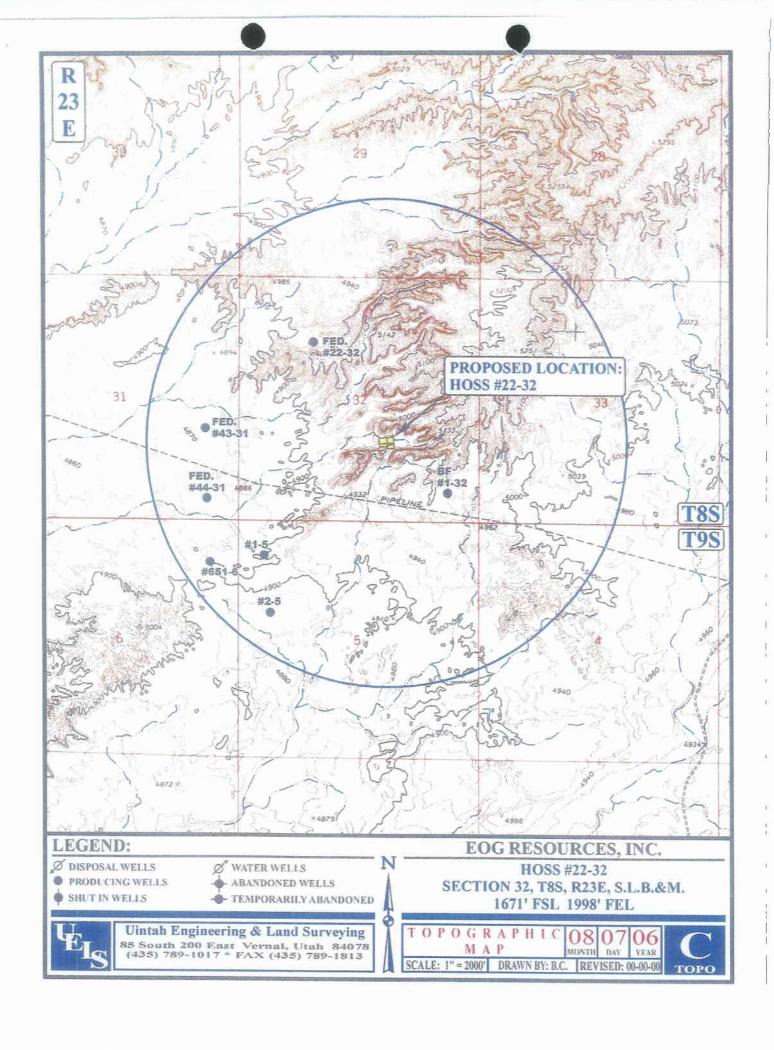
TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 37.7 MILES.

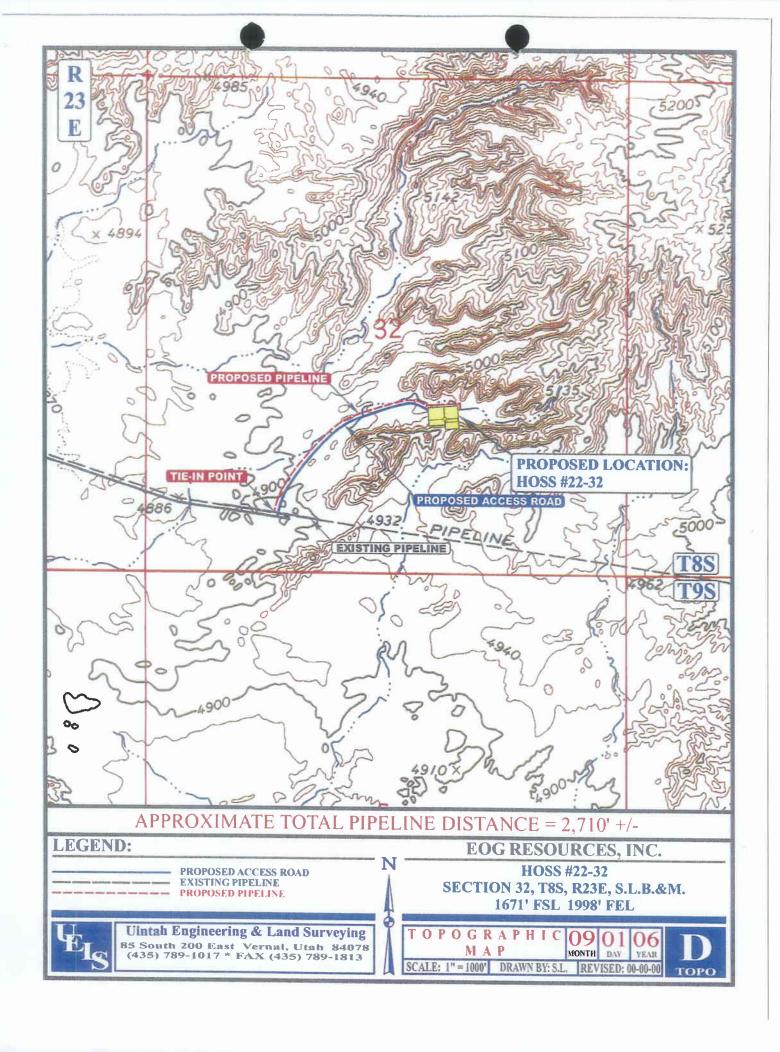




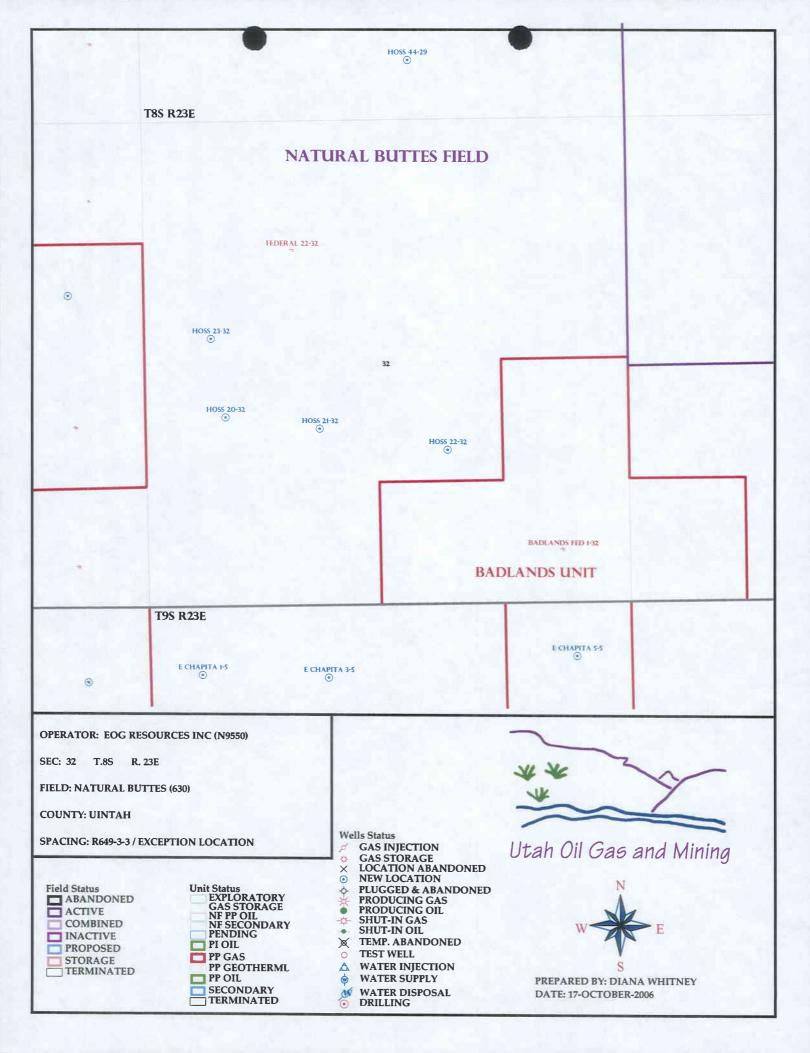








APD RECEIVED: 10/13/2006	API NO. ASSIC	ENED: 43-04	7-38715		
WELL NAME: HOSS 22-32  OPERATOR: EOG RESOURCES INC ( N9550 )  CONTACT: KAYLENE GARDNER	EOG RESOURCES INC ( N9550 ) PHONE NUMBER: 435-781-9111				
PROPOSED LOCATION:	INSPECT LOCATE	BY: /	/		
NWSE 32 080S 230E	Tech Review	Initials	Date		
SURFACE: 1671 FSL 1998 FEL BOTTOM: 1671 FSL 1998 FEL	Engineering	DKO	10/31/50		
COUNTY: UINTAH	Geology		19/1/02		
LATITUDE: 40.07659 LONGITUDE: -109.3480 UTM SURF EASTINGS: 640865 NORTHINGS: 443735	Surface				
FIELD NAME: NATURAL BUTTES (630)					
LEASE TYPE: 1 - Federal  LEASE NUMBER: UTU 56965  SURFACE OWNER: 1 - Federal	PROPOSED FORMA COALBED METHAN		ev		
RECEIVED AND/OR REVIEWED:	LOCATION AND SITING:				
Plat  Bond: Fed[1] Ind[] Sta[] Fee[]  (No. NM 2308  Potash (Y/N)  N Oil Shale 190-5 (B) or 190-3 or 190-13  Water Permit  (No. 49-1501  RDCC Review (Y/N)  (Date:  NA Fee Surf Agreement (Y/N)  Intent to Commingle (Y/N)  (Waschth, Mexicole)	R649-3-2. Gener Siting: 460 From Q  R649-3-3. Except Drilling Unit  Board Cause No: Eff Date: Siting:	R649-3-2. General Siting: 460 From Qtr/Qtr & 920' Between Wells R649-3-3. Exception  Drilling Unit Board Cause No: Eff Date: Siting:			
COMMENTS:					
STIPULATIONS: 1- Codes Of P  3- Commingle					





EOG Resources, Inc.

600 Seventeenth Street Suite 1000N Denver, CO 80202 Main: 303-572-9000 Fax: 303-824-5400

January 9, 2007

Utah Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, UT 84114-5801

Attention: Ms. Diana Whitney

RE:

Request for Exception Location

Hoss 22-32 Well Uintah County, Utah

Ladies and Gentlemen:

EOG Resources, Inc. ("EOGR") applied with the Utah Division of Oil, Gas and Mining for a Drilling Permit for the captioned well. The well is scheduled to drill at the following location in the captioned area to a proposed subsurface depth of 9,700 feet to test the Mesa Verde Formation:

Township 8 South, Range 23 East, SLB&M Section 32: NW/4 SE/4 1671' FSL and 1998' FEL

Due to topographic reasons, EOGR is unable to drill this well at a legal location as defined under state rule R649-3-2. We therefore respectfully request that the State grant an exception to State rule R649-3-2 in accordance with rule R649-3-3.

Please be advised that U-56965 covers the SE/4 of Section 32, Township 8 South, Range 23 East, and other lands. This lease is owned as shown on the attached Exhibit "B." By copy of this letter to EnCana Oil & Gas (USA), Inc., EOGR is requesting that said party provide their written consent to the exception location by dating, signing, and forwarding the duplicate original hereof to the Utah Division of Oil, Gas and Mining at the above address, and provide a copy to the undersigned at the letterhead address. There are no other owners within a 460' radius of the proposed well location.

EOGR respectfully requests that the Utah Division of Oil, Gas and Mining grant administrative approval of this application for an exception location described herein at its earliest opportunity.

**RECEIVED** 

JAN 3 0 2007

DIV. OF OIL, GAS & MINING

Utah Division of Oil, Gas and Mining Request for Exception Location Hoss 22-32 Well January 9, 2007 Page 2 of 2

Thank you for your consideration of our request. Should you have any questions regarding this matter, please feel free to give me a call at (303) 824-5436.

Sincerely,

EOG RESOURCES, INC.

Tessa Dean Land Associate

TD/s

CC:

EnCana Oil & Gas (USA) Inc. 370 17<sup>th</sup> Street, Suite 1700

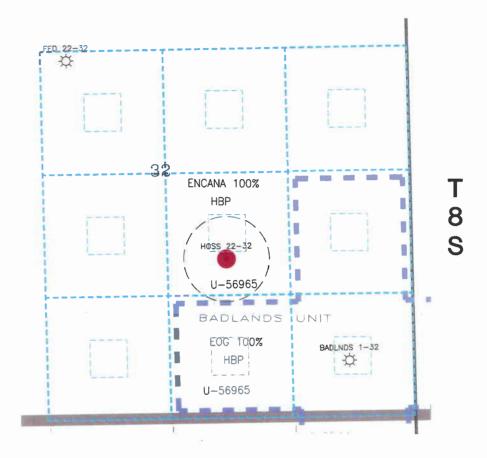
Denver, CO 80202

Attn: Mr. Barrett Brannon

Sheila Singer - Denver Kaylene Gardner - Vernal

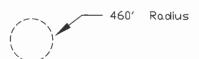
Accepted and agreed to this 18th day of January, 200	)7
ENCANA OIL & GAS (USA) INC.	
By: 1 / RB	
Title:	

## R 23 E



Oil or Gas Well Location Pattern pursuant to Utah Administrative Code Rule R 649-3-2

Legal window within which an oil and gas well could be drilled in compliance with R 649-3-2.

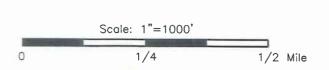


## **RECEIVED**

JAN 3 0 2007

DIV. OF OIL, GAS & MINING Exhibit "A"

Location at which applicant requests permission to drill the proposed Hoss 22—32 Well: 1671' FSL, 1998' FEL (NWSE) of Sec. 32, T8S, R23E





Application for Exception Well Location

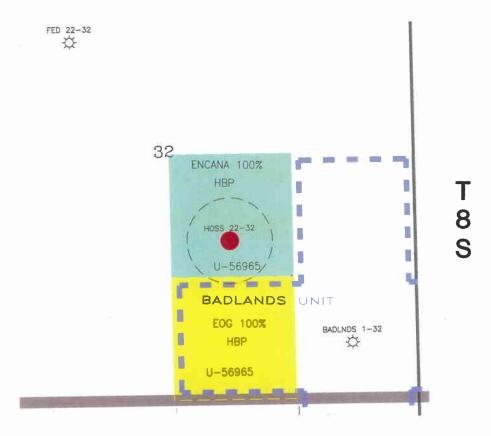
HOSS 22-32 Well

UINTAH COUNTY, UTAH

Scale: Distribusception\_plate\ 1"=1000" Distribusception\_plate\ Hom22-Sexx.dwg ox\_A\_40 Author

Jan 03, 2007 at 2:09pm

# R 23 E



#### Working Interest





Location at which applicant requests permission to drill the proposed Hoss 22-32 Well: 1671' FSL, 1998' FEL (NWSE) of Sec. 32, T8S, R23E

# RECEIVED

JAN 3 0 2007

DIV. OF OIL, GAS & MINING

Exhibit "B"



Denver Division

Application for Exception Well Location

**HOSS 22-32 Well** 

UINTAH COUNTY, UTAH

Scale:=1000'

Jan 03, 2007 2:10pm

Scale: 1"=1000'

1/4

1/2 Mile



#### State of Utah

#### Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

January 30, 2007

EOG Resources, Inc. 1060 East Highway 40 Vernal, UT 84078

Re:

Hoss 22-32 Well, 1671' FSL, 1998' FEL, NW SE, Sec. 32, T. 8 South, R. 23 East, Uintah County, Utah

#### Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

Administrative approval for commingling the production from the Wasatch formation and the Mesaverde formation in this well is hereby granted. Appropriate information has been submitted to DOGM in accordance with R649-3-22. No written objections from owners were received by DOGM.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38715.

Sincerely,

Gil Hunt

**Associate Director** 

pab Enclosures

cc:

Uintah County Assessor (via e-mail)

Bureau of Land Management, Vernal District Office

Operator:	EOG Resources,	Inc.	
Well Name & Number	Hoss 22-32		
API Number:	43-047-38715		
Lease:	UTU-56965		
Location: <u>NW SE</u>	Sec32_	T. 8 South	<b>R.</b> 23 East

#### **Conditions of Approval**

#### 1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

#### 2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

Contact Dan Jarvis at (801) 538-5338

#### 3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
- 5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

OCT 1 1 2006 UNITED STATE OF THE BUREAU OF LAND ME LAND ME LAND TO PERMIT TO THE BUREAU OF LAND ME LAN	ANAGEMENT	5. Le		(1 2007		
LM VERAMLICHTING FOR PERMIT T	ANAGEMENT	U'	Expires March 31, 2007  5 Lease Serial No. UTU 56965			
	BLM VERABLICATION FOR PERMIT TO DRILL OR REENTER					
Type of work: ✓ DRILL REE	NTER	7. If U	nit or CA Agreement	, Name and No.		
Type of Well: Oil Well Gas Well Other	Single Zone / Mul	iple Zone H	se Name and Well N OSS 22-32	0.		
Name of Operator EOG RESOURCES, INC		9 API	Well No.	38715		
Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078	3b. Phone No. (include area code) 435-781-9111	l l	d and Pool, or Explor ATURAL BUTTE	•		
Location of Well (Report location clearly and in accordance with At surface 1671 FSL 1998 FEL NWSE 40.0 At proposed prod. zone SAME			T. R. M. or Blk. and	•		
Distance in miles and direction from nearest town or post office* 37.7 MILES SOUTH OF VERNAL, UTAH			nty or Parish	13. State		
Distance from proposed* ocation to nearest property or lease line, ft. Also to nearest drig. unit line, if any)  1730 LEASE LINE 410 DRILLING LIN	16. No. of acres in lease  E 640	17. Spacing Unit ded	licated to this well			
Distance from proposed location* o nearest well, drilling, completed, pplied for, on this lease, ft.  2980	19 Proposed Depth 9700	20 BLM/BIA Bond NM 2308	ABIA Bond No. on file			
Elevations (Show whether DF, KDB, RT, GL, etc.) 4944 GL	22. Approximate date work will st		23. Estimated duration 45 DAYS			
	24. Attachments					
ollowing, completed in accordance with the requirements of On fell plat certified by a registered surveyor.  Drilling Plan.  Surface Use Plan (if the location is on National Forest Syst PO must be filed with the appropriate Forest Service Office).	4. Bond to cover Item 20 above) em Lands, the 5. Operator certif	the operations unless				
Signature SR. REGULATORY ASSISTANT	Name (Printed Typed) KAYLENE R. GA	RDNER	Date	10/11/2006		
oved by (Signature)	Name (Printed Typed)  Treey Kewco	KA	Date	-16-2007		
Assistant Field Manager  cation apploar this for warrant or certify that the applicant had operations thereon.	Office VERNAL Fill nolds legal or equitable title to those rig			he applicant to		

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on page 2)

NOTICE OF APPROVAL

# CONDITIONS OF APPROVAL ATTACHEL

06BM1897

RECEIVED MAR 3 0 2007

Entered in AFMSS
Date 11/17/06

DIV. OF OIL, GAS & MINING

NOS 8/23/06



### UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT VERNAL FIELD OFFICE**



170 South 500 East

VERNAL, UT 84078 (435) 781-4400

#### CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:

**EOG Resources** 

Location:

NWSE, Sec 32, T8S, R23E

Well No:

HOSS 22-32

Lease No:

UTU-56965

API No:

43-047-38715

Agreement:

N/A

Title	Name	Office Phone Number	<b>Cell Phone Number</b>
Petroleum Engineer:	Matt Baker	435-781-4490	435-828-4470
Petroleum Engineer:	Michael Lee	435-781-4432	435-828-7875
Petroleum Engineer:	James Ashley	435-781-4470	435-828-7874
Petroleum Engineer:	Ryan Angus	435-781-4430	
Supervisory Petroleum Technician:	Jamie Sparger	435-781-4502	435-828-3913
NRS/Enviro Scientist:	Paul Buhler	435-781-4475	435-828-4029
NRS/Enviro Scientist:	Karl Wright	435-781-4484	
NRS/Enviro Scientist:	Holly Villa	435-781-4404	
NRS/Enviro Scientist:	Melissa Hawk	435-781-4476	435-828-7381
NRS/Enviro Scientist:	Chuck MacDonald	435-781-4441	
NRS/Enviro Scientist:	Jannice Cutler	435-781-3400	
NRS/Enviro Scientist:	Michael Cutler	435-781-3401	
NRS/Enviro Scientist:	Anna Figueroa	435-781-3407	
NRS/Enviro Scientist:	Verlyn Pindell	435-781-3402	
NRS/Enviro Scientist:	Darren Williams	435-781-4447	
NRS/Enviro Scientist:	Nathan Packer	435-781-3405	
After Hours Contact Number: 435	-781-4513	Fax: 435-781-4410	

#### A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.

#### NOTIFICATION REQUIREMENTS

Location Construction (Notify NRS/Enviro Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify NRS/Enviro Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supervisory Petroleum Technician)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings
BOP & Related Equipment Tests (Notify Supervisory Petroleum Technician)	-	Twenty-Four (24) hours prior to initiating pressure tests
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days

SURFACE USE PROGRAM

Page 2 of 6 Well: HOSS 22-32 2/1/2007

#### **CONDITIONS OF APPROVAL (COAs)**

- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt. During interim management of the surface, use the following seed mix:
  - o 9 lbs of Hycrest Crested Wheatgrass and 3 lbs of Kochia Prostrata.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.
- All the culverts will be installed according to the BLM Gold Book.
- The road and well pad will have road base on the surface.
- Bury pipeline at all low water crossings.

#### **General Surface COA**

Operator shall notify any active Gilsonite mining operation within 2 miles of the location 48 hours prior to any blasting during construction for this well.

Page 3 of 6 Well: HOSS 22-32 2/1/2007

#### DOWNHOLE CONDITIONS OF APPROVAL

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

#### SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- Electronic/mechanical mud monitoring equipment shall be required, from surface casing shoe to TD, which shall include as a minimum: pit volume totalizer (PVT); stroke counter; and flow sensor.
- A formation integrity test shall be performed at the surface casing shoe.
- A Cement Bond Log (CBL) shall be run in the production casing from the TD to the top of cement. A field copy of the CBL shall be submitted to the BLM Vernal Field Office for review.

#### Variance Granted:

75 foot long blooie line approved.

#### Commingling:

Downhole commingling for the Wasatch-Mesaverde formations is approved. Authorized
Officer reserves the right to rescind this approval if conditions change. Authorized Officer
also reserves the right to require allocation of production volumes between the Wasatch and
Mesaverde if deemed necessary.

#### DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and NOT by the rig pumps. Test

Page 4 of 6 Well: HOSS 22-32 2/1/2007

shall be reported in the driller's log.

- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No.
   2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- Cement baskets shall not be run on surface casing.
- The lessee/operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled and analyzed (a copy of the analyses to be submitted to the BLM Field Office in Vernal, Utah).
- All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
- The lessee/operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, etc.) to Peter Sokolosky or another geologist of the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- All shows of fresh water and minerals shall be reported and protected. A sample shall be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or
  workover equipment shall be removed from a well to be placed in a suspended status
  without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for
  more than 30 days, prior approval of the BLM, Vernal Field Office shall be obtained and
  notification given before resumption of operations.
- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office
  on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well
  is completed.
- Any change in the program shall be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) shall be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.

Page 5 of 6 Well: HOSS 22-32 2/1/2007

 In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- A cement bond log (CBL) will be run from the production casing shoe to the surface casing shoe and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease shall have prior written approval from the BLM, Vernal Field Office.
- All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office
  Petroleum Engineers will be provided with a date and time for the initial meter calibration
  and all future meter proving schedules. A copy of the meter calibration reports shall be
  submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API
  standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- This APD is approved subject to the requirement that, shall the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - o Operator name, address, and telephone number.
  - o Well name and number.

Page 6 of 6 Well: HOSS 22-32 2/1/2007

- o Well location (¼¼, Sec., Twn, Rng, and P.M.).
- Date well was placed in a producing status (date of first production for which royalty will be paid).
- The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
- The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
- o Unit agreement and / or participating area name and number, if applicable.
- o Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field
  Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of
  the well, in order that a representative may witness plugging operations. If a well is
  suspended or abandoned, all pits must be fenced immediately until they are backfilled. The
  "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30
  days after the actual plugging of the well bore, showing location of plugs, amount of cement
  in each, and amount of casing left in hole, and the current status of the surface restoration.

Form 3160-5 (February 2005)

#### **UNITED STATES** DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED OM B No. 1004-0137 Expires: March 31, 2007

#### 5. Lease Serial No. UTU-56965

#### SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an shandoned well lise Form 3160 - 3 (APD) for such proposals.

6. If Indian, Allottee or Tribe Name

abandoned we		2, ,,			
SUBMIT IN TRI	PLICATE- Other inst	tructions on revers	se side.	7. If Unit or 0	CA/Agreement, Name and/or No.
1. Type of Well Oil Well	Gas Well Other			8. Well Nam	
2. Name of Operator EOG Resou	rces, Inc.			9. API Wel	l No.
3a. Address 600 17th Street, Suite 1000N, D	enver, CO 80202	3b. Phone No. (include 303-824-5526	area code)	10. Field and	Pool, or Exploratory Area Buttes/Wasatch/Mesaverde
4. Location of Well (Footage, Sec., 1671' FSL & 1998' FEL (NWS Sec. 32-T8S-R23E 40.076575 I	E)		E OF NOTICE, RI	11. County o	r Parish, State County, UT
TYPE OF SUBMISSION			PE OF ACTION		
✓ Notice of Intent  Subsequent Report  Final Abandonment Notice	Acidize Alter Casing Casing Repair Change Plans Convert to Injection	Deepen Fracture Treat New Construction Plug and Abandon Plug Back	Production (State Reclamation Recomplete Temporarily Ab	andon	Water Shut-Off Well Integrity Other Change location layout
<ol> <li>Describe Proposed or Complet If the proposal is to deepen dire</li> </ol>	ed Operation (clearly state all per ectionally or recomplete horizonta	rtinent details, including esti- ally, give subsurface location	mated starting date of ar ns and measured and tru	ny proposed wo ne vertical depth	rk and approximate duration thereof. s of all pertinent markers and zones.

As per verbal approval with Paul Buhler, BLM Vernal Field Office, EOG Resources, Inc. requests authorization to change the location layout, as per the attached revised plat, for the referenced well. The original location layout did not provide adequate surface disturbance to install rig anchors at distances as required by the manufacturer and API specifications.

Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has

> Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY DIV. OF OIL, GAS & MINING

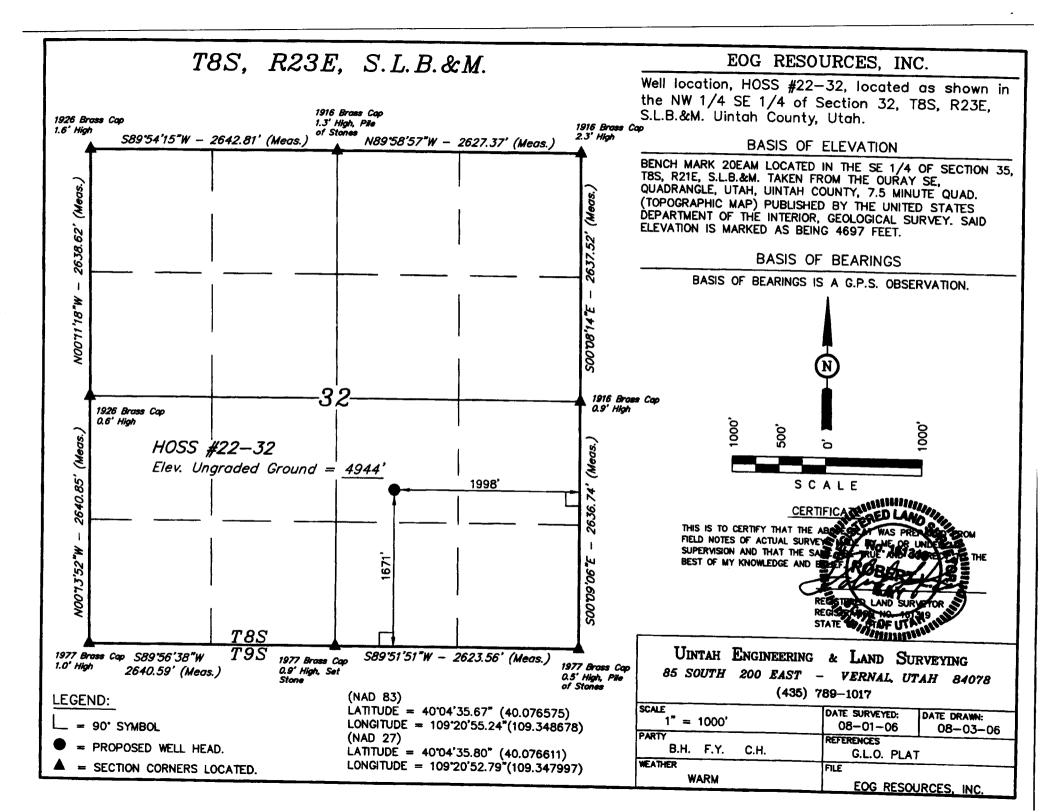
RECEIVED

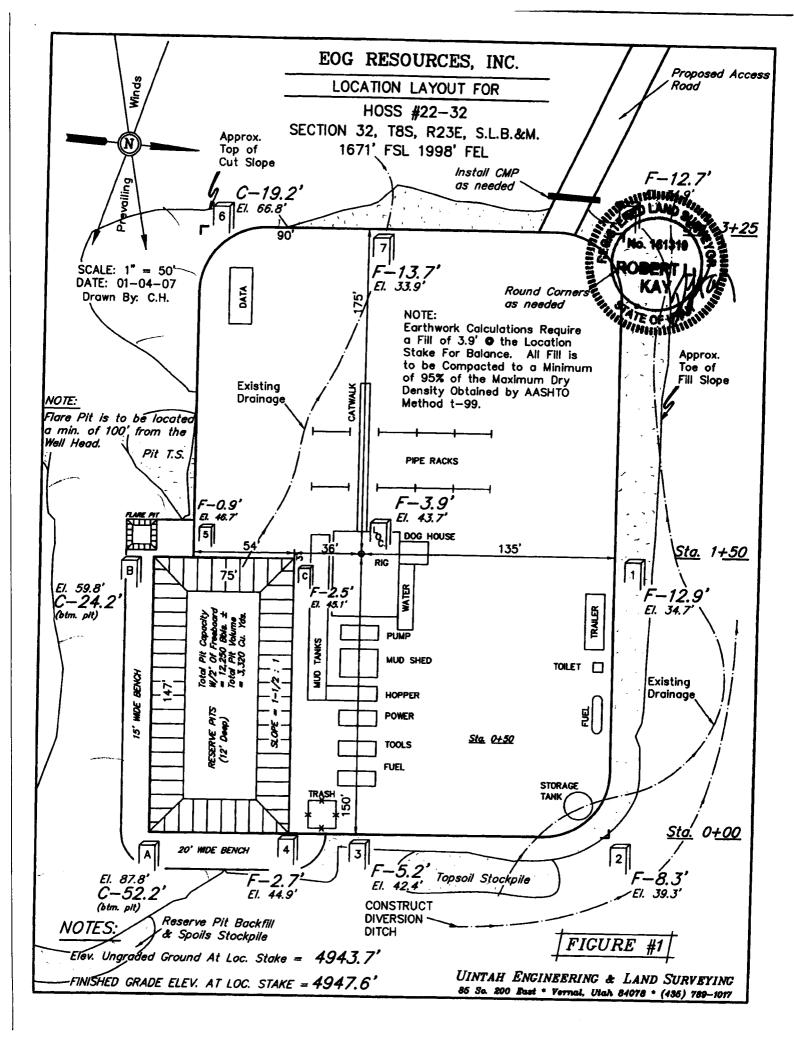
APR 2 4 2007

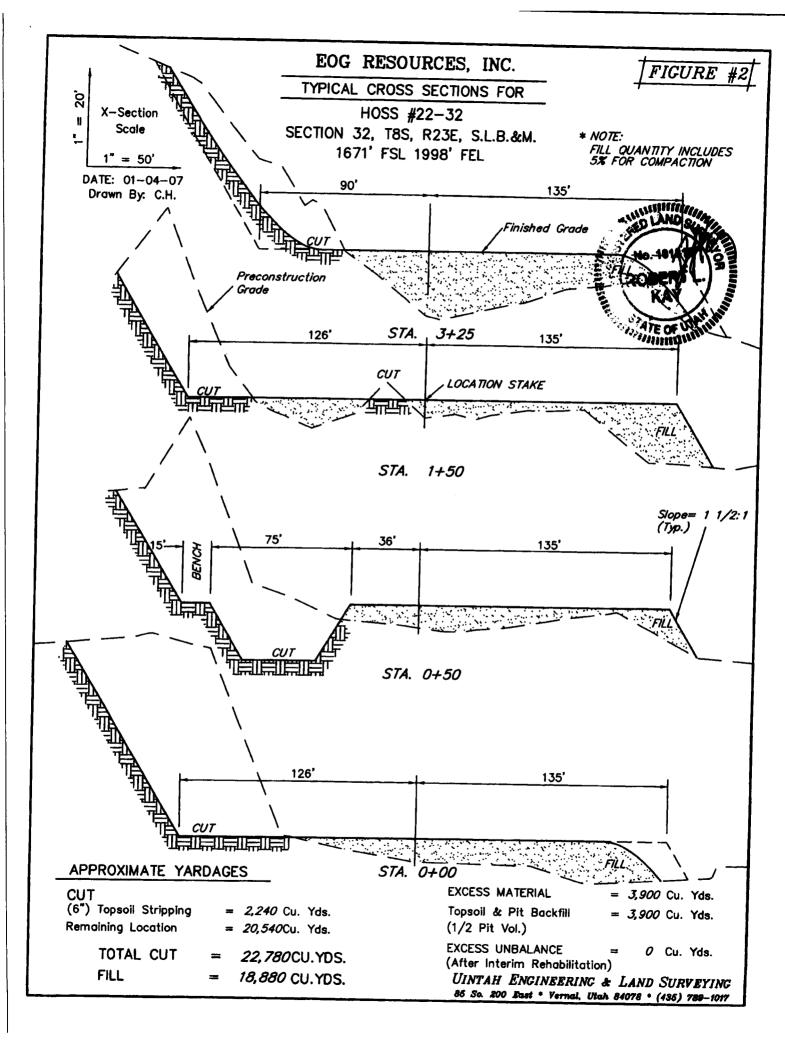
04/23/2007					
THIS SPACE FOR FEDERAL OR STATE OFFICE USE					
Title	Date				
Office					
	STATE OFFICE USE				

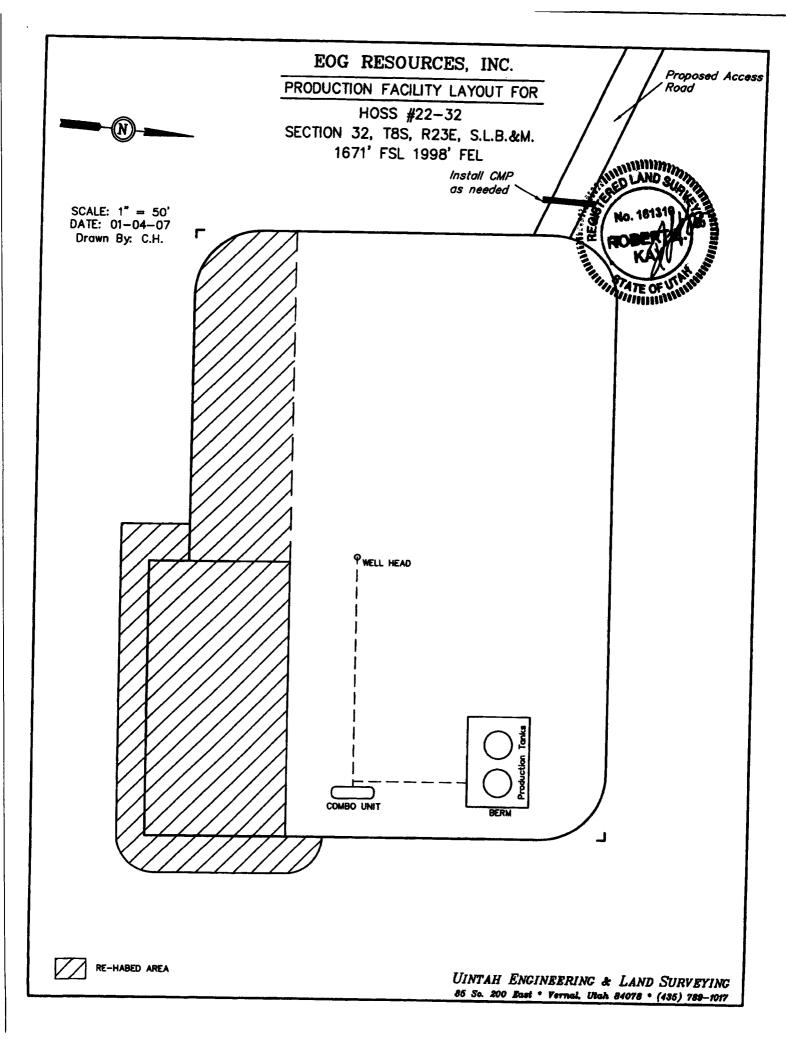
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

determined that the site is ready for final inspection.)









# EOG RESOURCES, INC.

HOSS #22-32

LOCATED IN UINTAH COUNTY, UTAH SECTION 32, T8S, R23E, S.L.B.&M.

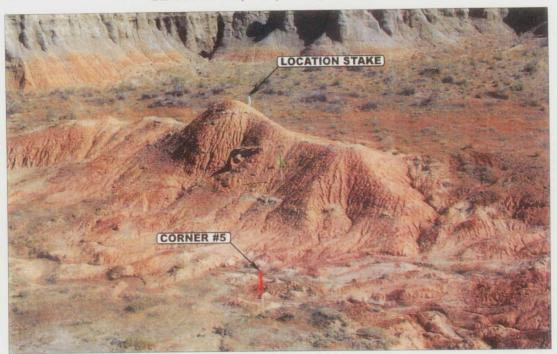


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHELRY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

**CAMERA ANGLE: NORTHERLY** 



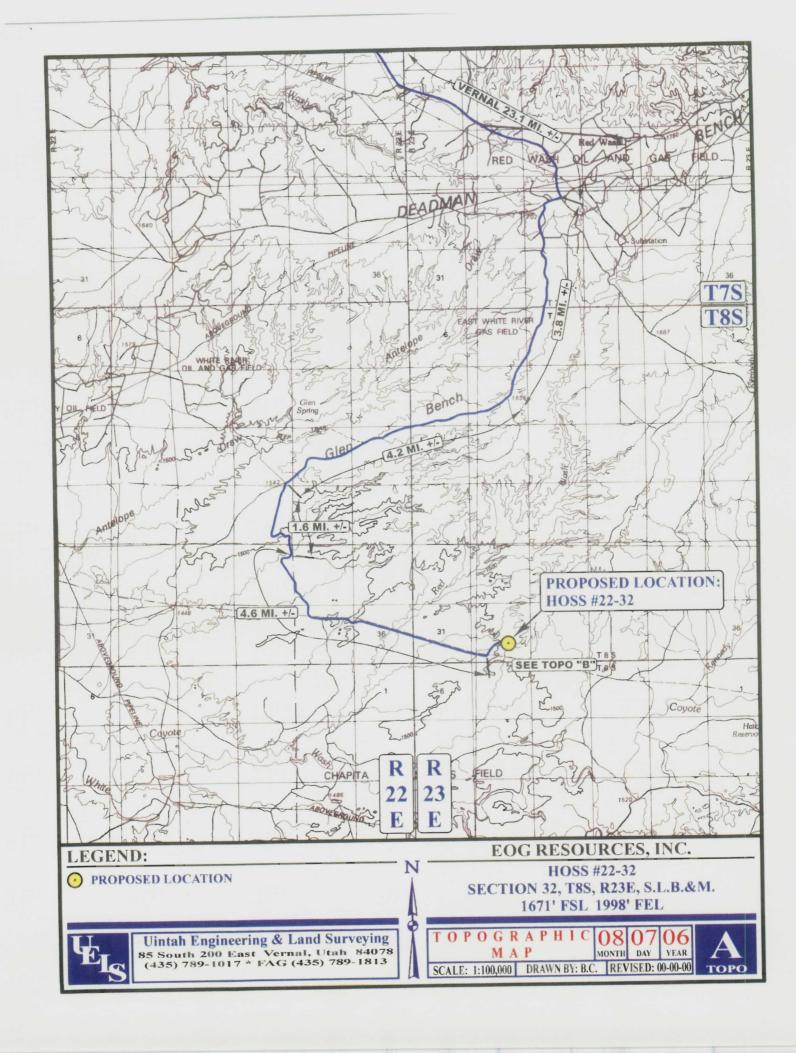
Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078 435-789-1017 uels@uelsinc.com

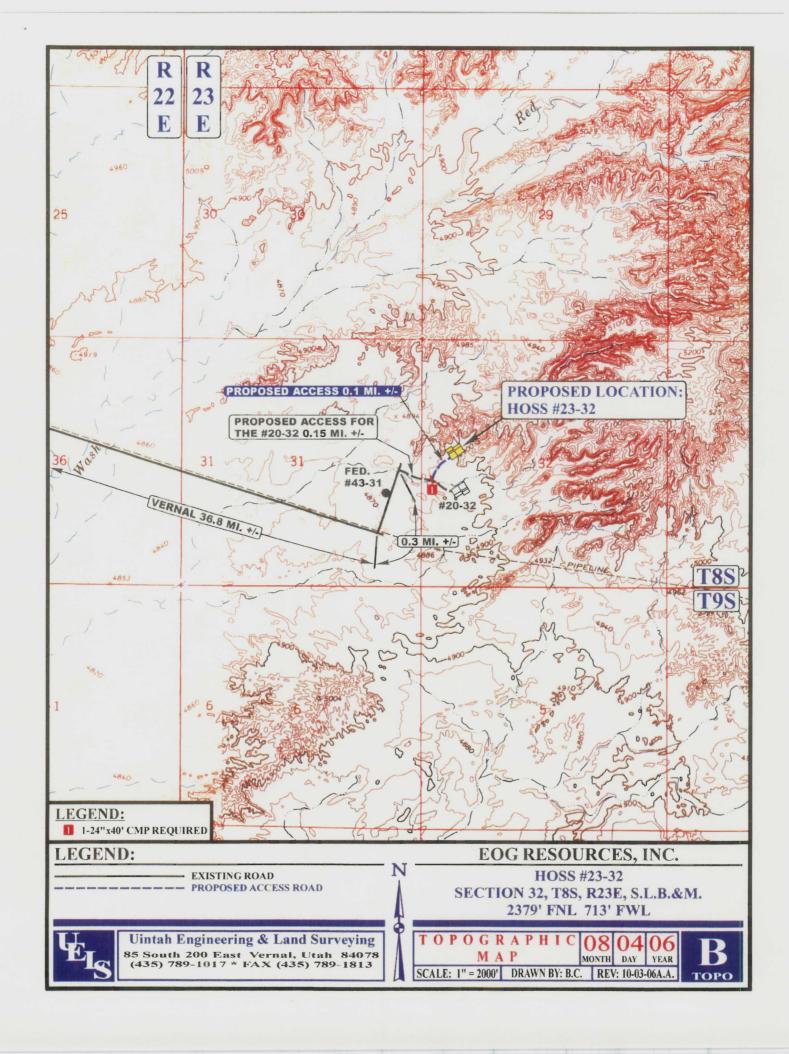
**LOCATION PHOTOS** 

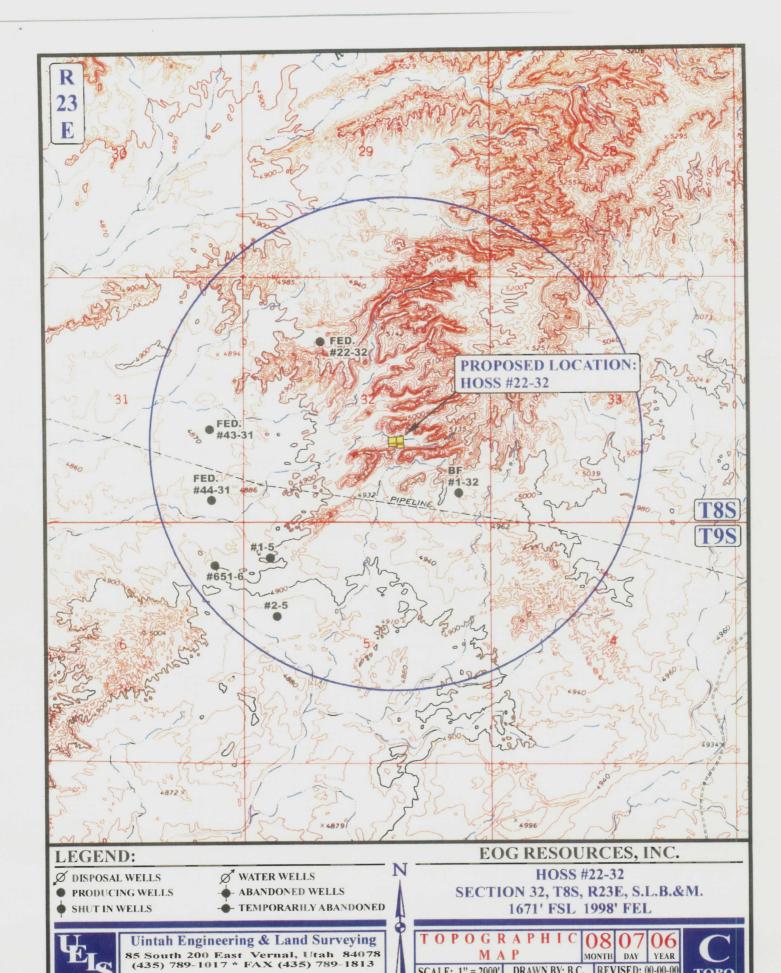
MONTH DAY YEAR

**РНОТО** 

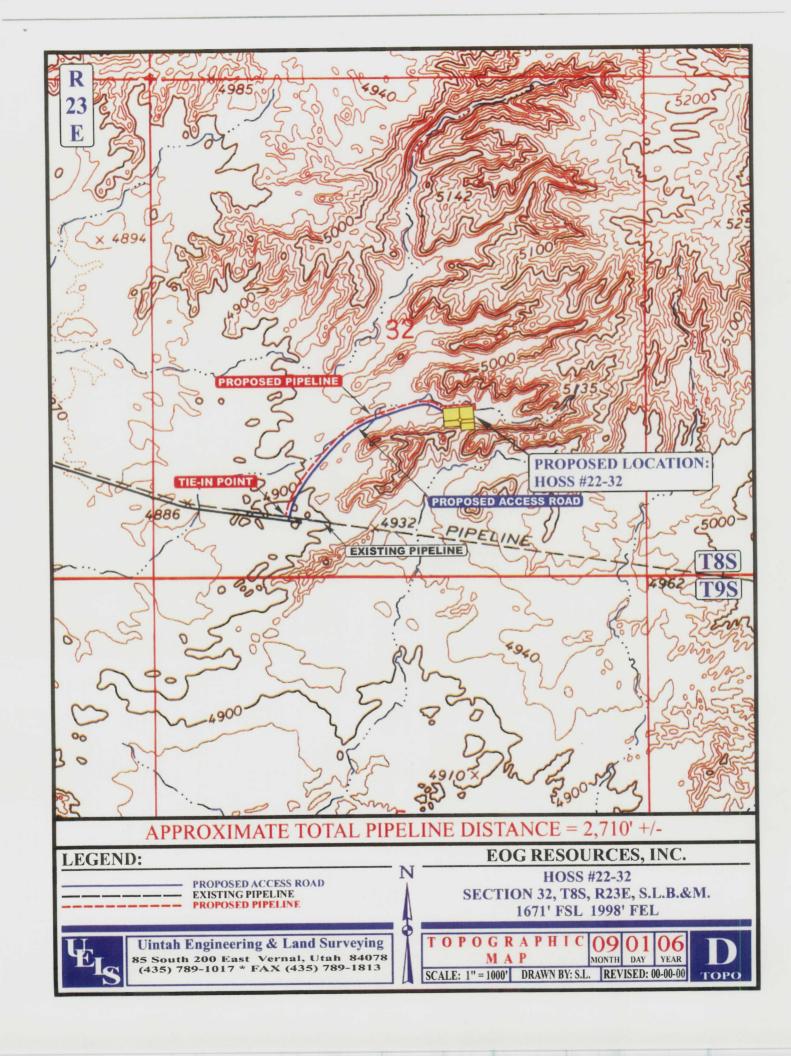
TAKEN BY: B.H. DRAWN BY: B.C. REVISED: 00-00-00







SCALE: 1" = 2000' DRAWN BY: B.C. REVISED: 00-00-00



STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES

		., GAS AND MINING	<b>3</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU56965
SUNDR	Y NOTICES AN	D REPORTS OF	WELLS		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for proposals to drill drill horizontal  1. TYPE OF WELL			om-hole depth, reenter pli such proposals.	ugged wells, or to	7. UNIT or CA AGREEMENT NAME:  8. WELL NAME and NUMBER:
OIL WELL	GAS WELL	OTHER			Hoss 22-32
2. NAME OF OPERATOR: EOG Resources, Inc.					9. API NUMBER: 43-047-38715
3. ADDRESS OF OPERATOR: 1060 East Highway 40	<sub>इ ү</sub> Vernal	STATE UT ZIP 8407	PHONE NU (435) 7	MBER: 781-9111	10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch/Mesaverd
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1671'			<u> </u>	010111	county: Uintah
QTR/QTR, SECTION, TOWNSHIP, RAI	· · · · · · · · · · · · · · · · · · ·		S		STATE: UTAH
	ROPRIATE BOXE	S TO INDICATE NA			RT, OR OTHER DATA
NOTICE OF INTENT (Submit in Duplicate)  Approximate date work will start:  SUBSEQUENT REPORT (Submit Original Form Only)  Date of work completion:	ACIDIZE  ALTER CASING CASING REPAIR CHANGE TO PREVI CHANGE TUBING CHANGE WELL NAI CHANGE WELL STA COMMINGLE PROD CONVERT WELL TY	DUS PLANS	TYPE OF A DEEPEN FRACTURE TREAT NEW CONSTRUCTION OPERATOR CHANGE PLUG AND ABANDON PLUG BACK PRODUCTION (START/R RECLAMATION OF WELI RECOMPLETE - DIFFERI	ESUME) L SITE	REPERFORATE CURRENT FORMATION  SIDETRACK TO REPAIR WELL  TEMPORARILY ABANDON  TUBING REPAIR  VENT OR FLARE  WATER DISPOSAL  WATER SHUT-OFF  OTHER: APD Extension
COPY SENT TO OPERATO  Date: 2-5-2008	uests the APD for t	Approved by Utah Division Oil, Gas and Mi	the		s, etc.
NAME (PLEASE PRINT) Kaylene F	R. Gardner		1/28/	Regulatory A	ssistant
This space for State use only)	January		DATE	i i	RECEIVED

RECEIVED
FEB 0 1 2003
DIV. OF OIL, GAS & MINING

# Application for Permit to Drill Request for Permit Extension Validation

(this form should accompany the Sundry Notice requesting permit extension)

API:

	API: 43-047-38715  Well Name: Hoss 22-32  Location: 1671 FSL - 1998 FEL (NWSE), SECTION 32, T8S, R23E S.L.B.&M  Company Permit Issued to: EOG RESOURCES, INC.  Date Original Permit Issued: 1/30/2007
	The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.
	following is a checklist of some items related to the application, which should be rerified.
	flocated on private land, has the ownership changed, if so, has the surface greement been updated? Yes ☐ No ☐
	lave any wells been drilled in the vicinity of the proposed well which would affect ne spacing or siting requirements for this location? Yes ☐ No ☑
	las there been any unit or other agreements put in place that could affect the ermitting or operation of this proposed well? Yes□No☑
	lave there been any changes to the access route including ownership, or right_ f-way, which could affect the proposed location? Yes⊡No ☑
	las the approved source of water for drilling changed? Yes□No☑
	lave there been any physical changes to the surface location or access route hich will require a change in plans from what was discussed at the onsite valuation? Yes□No☑
	s bonding still in place, which covers this proposed well? Yes ☑ No ☐
(	Date
	itle: Lead Regulatory Assistant
	Representing: EOG Resources, Inc.
	RECEIVED

FEB 0 1 2008

DIV. OF OIL, GAS & MINING

F m 3160 5 (August 2007)

#### **UNITED STATES** DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

Approved By			Petrole	eum E	ngineer	MAR 1 3 2008
	THIS SPACE FO	R FEDERA	L OR STATE	OFFICE U	SE	
Signature (Electronic S			Date 03/07/2			
Name(Printed/Typed) KAYLENE		cessing by G			RY ASSISTANT	
	Electronic Submission #	RESOURCES	INĆ, sent to the V	/ernal	•	
14. I hereby certify that the foregoing is t	rne and correct					
	المراجعة الماطعون والمراجعة	are the most in	TOVAL ALIACI	nev	А.М.	***************************************
	CONDITION	IS OFDILLO	ANAPS 12410C		PET.	
	J.	M	AR 2 4 2008		E.S	
		£			GEOL.	
	•	Q	CHIVED		ENG.	
3/16/2007 be extended for on	e year.				VERNAL DE	ST.
EOG Resources, Inc. respect	fully requests the APD for	the referenc	ed well orginally	approved		sare i
Attach the Bond under which the work following completion of the involved of testing has been completed. Final Abadetermined that the site is ready for fin	will be performed or provide the operations. If the operation result indonment Notices shall be filed or the control of the co	e Bond No. on fil s in a multiple co	e with BLM/BIA. R empletion or recompl	equired subseq etion in a new	uent reports shall be filed interval, a Form 3160-4 s	within 30 days hall be filed once
13. Describe Proposed or Completed Oper If the proposal is to deepen directional						
<b>u</b>	Convert to Injection			□ Water I		PD
☐ Final Abandonment Notice	☐ Casing Repair☐ Change Plans		Construction and Abandon	□ Recomp	arily Abandon	Other Change to Original A
☐ Subsequent Report	Alter Casing	_	ture Treat	Reclams		Well Integrity
Notice of Intent	☐ Acidize	□ Deep			ion (Start/Resume)	□ Water Shut-Off
TYPE OF SUBMISSION			TYPE OF	FACTION		
12. CHECK APPI	ROPRIATE BOX(ES) TO	INDICATE	NATURE OF N	NOTICE, RI	EPORT, OR OTHE	R DATA
	7. 62 .666. 22					,
Sec 32 T8S R23E NWSE 167	•				UINTAH COUN	
VERNAL, UT 84078  4. Location of Well (Footage, Sec., T.	D. M. C. C.				11. County or Parish, a	
3a. Address 1060 EAST HIGHWAY 40		3b. Phone No. Ph: 435-78	(include area code)		10. Field and Pool, or NATURAL BUT	
Name of Operator     EOG RESOURCES INC	9. API Well No. 43-047-38715-0	00-X1				
☐ Oil Well 🛛 Gas Well ☐ Oth	ner				HOSS 22-32	
Type of Well					8. Well Name and No.	
SUBMIT IN TRI	PLICATE - Other instruc	tions on rev	erse side.		7. If Unit or CA/Agree	ment, Name and/or No.
abandoned we	II. Use form 3160-3 (API	D) for such p	roposals.		6. If Indian, Allottee or	Tribe Name
	NOTICES AND REPORT		ELLS MAR	0 7 2008	UTU56965	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



Conditions of approval if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

# **CONDITIONS OF APPROVAL**

# EOG Resources, Inc.

## **Notice of Intent APD Extension**

Lease:

UTU-56965

Well:

Hoss 22-32

Location:

NWSE Sec 32-T8S-R23E

An extension for the referenced APD is granted with the following conditions:

- 1. The extension and APD shall expire on 3/16/09.
- 2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Ryan Angus of this office at (435) 781-4430

Form 3160-5 (February 2005)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

 FORM APPROVED OM B No. 1004-0137 Expires: March 31, 200

#### 5. Lease Serial No.

SUNDRY	NOTICES AND REP	ORTS ON WE	LLS	Multiple	(See Attached)
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.				6. If Indian,	Allottee or Tribe Name
SUBMIT IN TR	IPLICATE- Other instru	uctions on reve	rse side.	7. If Unit or	CA/Agreement, Name and/or No.
1. Type of Well Oil Well	Gas Well Other			0 171 1121	121
2 Name of Orientan				8. Well Nan Multiple	ne and No. e (See Attached)
. EUG Reso	urces, Inc.		and the same of the same to th	9. API We	
3a Address 1060 E. HWY 40 Vernal, UT 8	34078	3b. Phone No. (included 435-789-0790	e area code)		e (See Attched)  Pool, or Exploratory Area
4. Location of Well (Footage, Sec.,	T., R, M., or Survey Description)	13 047 3	8715	Natural	Buttes
Multiple (See Attached)		HOSS 27	32	11. County of	r Parish, State
	<u> </u>	85 23E	32	Uintah	County, Utah
12. CHECK A	PPROPRIATE BOX(ES) TO	INDICATE NATUR	RE OF NOTICE, R	EPORT, OR	OTHER DATA
TYPE OF SUBMISSION		TY	PE OF ACTION		
	Acidize	Deepen	Production (Sta	rt/Resume)	Water Shut-Off
Notice of Intent	Alter Casing	Fracture Treat	Reclamation		Well Integrity
Subsequent Report	Casing Repair Change Plans	New Construction	Recomplete Temporarily Ab	andon	Other Air Drilling Variance Request
Final Abandonment Notice	Convert to Injection	Plug and Abandon Plug Back	Water Disposal	andon	rioquest
EOG Resources, Inc. resp	ectfully requests authorization	for air drilling opera	nons, see attached.		
					COPY SENT TO OPERATOR  Date: 10-14-2008  Initials: 45
				<u>mi a joka zan</u>	
<ol> <li>I hereby certify that the for Name (Printed/Typed)</li> </ol>					
Mickenzie Thac	ker	Title (	Operations Clerk		
Signature Willy	rie Thader	Date		9/17/2008	
	THIS SPACE FOR F	EDERAL OR S	STATE OFFICE	USE	
Approved by			Title Ret- En	<del>~~~</del>	pate 10/7/08
certify that the applicant holds leg which would entitle the applicant		the subject lease	Office DOGN	<u>/\</u>	Federal Approval Of This Action Is Necessary
Title 18 U.S.C. Section 1001 and Tit	tle 43 U.S.C. Section 1212, make it a	crime for any person k	nowingly and willfully	to make to any	department or agency of the United

(Instructions on page 2)

SEP 2 2 2008

API#	Lease #	Well Name	Footages	1/4-1/4
			_	Legal Description
43-047-38715	UTU-56965	HOSS 22-32	1671' FSL 1998' FEL	NWSE
				Sec. 32 T8S R23E
43-047-38698	UTU-76042	HOSS 44-29	631' FSL 2357' FEL	SWSE
				Sec. 29 T8S R23E
43-047-38900	UTU-76042	HOSS 52-29	815' FNL 812' FWL	NWNW
				Sec. 29 T8S R23E
43-047-38899	UTU-76042	HOSS 53-29	267' FNL 2011' FWL	NENW
				Sec. 29 T8S R23E
43-047-50048	UTU-76042	HOSS 54-29	2608' FNL 2172' FEL	SWNE
				Sec. 29 T8S R23E
43-047-50009	UTU-76042	HOSS 57-29	1123' FNL 1004' FEL	NENE
				Sec. 29 T8S R23E
43-047-39706	UTU-64422	HOSS 73-33	1956' FSL 2056' FWL	NESW
				Sec. 33 T8S R23E
43-047-38361	UTU-64422	HOSS 74-34	706' FSL 493' FWL	SWSW
				Sec. 34 T8S R23E
43-047-39329	UTU-64422	HOSS 78-27	586' FSL 2044' FEL	SWSE
				Sec. 27 T8S R23E
43-047-39328	UTU-64422	HOSS 79-27	764' FSL 737' FEL	SESE
				Sec. 27 T8S R23E
43-047-39692	UTU-76042	HOSS 80-26	1980' FSL 586' FWL	NWSW
				Sec. 26 T8S R23E
43-047-39327	UTU-76042	HOSS 81-26	494' FSL 505' FWL	SWSW
				Sec. 26 T8S R23E
43-047-39326	UTU-76042	HOSS 82-26	839' FSL 1808' FWL	SESW
				Sec. 26 T8S R23E
43-047-39325	UTU-76042	HOSS 83-35	752' FNL 593' FWL	NWNW
***************************************				Sec. 35 T8S R23E
43-047-39324	UTU-76042	HOSS 84-35	722' FNL 1968' FWL	NENW
				Sec. 35 T8S R23E
43-047-39323	UTU-76042	HOSS 85-35	2156' FNL 683' FWL	SWNW
				Sec. 35 T8S R23E

,

#### **Air Drilling Operations:**

- 1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- 3. Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
- 4. The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
- 5. Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
- 6. EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

#### **VARIANCE REQUESTS:**

Reference: Onshore Oil and Gas Order No. 1
Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations

- 1. EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
- 2. EOG Resources, Inc. requests a variance to regulations requiring the bloole line to be 100' in length. To reduce location excavation, the bloole line will be approximately 75' in length.
- 3. EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by water mist.
- 4. EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- 5. EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

#### STATE OF UTAH

DEPARTMENT OF NATURAL RESOLUTION OF OIL, GAS AND M		5. LEASE DESIGNATION AND SERIAL NUMBER:
	UTU-56965  6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
SUNDRY NOTICES AND REPORT	S ON WELLS	
Do not use this form for proposals to drill new wells, significantly deepen existing wells below c drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL	urrent bottom-hole depth, reenter plugged wells, or to L form for such proposals.	7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL ☐ GAS WELL ☑ OTHER		8. WELL NAME and NUMBER: Hoss 22-32
2. NAME OF OPERATOR:		9. API NUMBER:
EOG Resources, Inc.	PHONE NUMBER:	43-047-38715  10. FIELD AND POOL, OR WLDCAT:
	84078 (435) 781-9111	Natural Buttes/Wasatch/Mesaver
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1671' FSL & 1998' FEL 40.076575 LA	NT 100 249679 LON	Llistob
FOOTAGES AT SURFACE: 16/11 FSL & 1998 FEL 40.0/65/5 LF	N 109.348678 LON	соинту: Uintah
	23E S	STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICA	TE NATURE OF NOTICE, REPOI	RT, OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTION	
NOTICE OF INTENT (Submit in Duplicate)  ACIDIZE  ALTER CASING	DEEPEN FRACTURE TREAT	REPERFORATE CURRENT FORMATION SIDETRACK TO REPAIR WELL
Approximate date work will start: CASING REPAIR	NEW CONSTRUCTION	TEMPORARILY ABANDON
CHANGE TO PREVIOUS PLANS	OPERATOR CHANGE	TUBING REPAIR
CHANGE TUBING	PLUG AND ABANDON	VENT OR FLARE
SUBSEQUENT REPORT CHANGE WELL NAME	PLUG BACK	WATER DISPOSAL
(Submit Original Form Only)  CHANGE WELL STATUS	PRODUCTION (START/RESUME)	WATER SHUT-OFF
Date of work completion:  COMMINGLE PRODUCING FORMATIONS	RECLAMATION OF WELL SITE	✓ other: APD Extension
CONVERT WELL TYPE	RECOMPLETE - DIFFERENT FORMATION	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all	pertinent details including dates, depths, volume	es, etc.
EOG Resources, Inc. requests the APD for the referenced	d well be extended for one year.	
·	·	
	Approved by the	
	Approved by the Utah Division of	
	Oil, Gas and Mining	
	a1-07-091	
1	Date: 01-04-09	
	Bu R and All	
	By: Dec Plan	
NAME (PLEASE PRINT) Mickenzie Thacker	TITLE Operations Clerk	
MA: Mann: Thanks		
SIGNATURE VV MALLY (VALLY)	DATE 12/29/2008	
(This space for State use only)		
COPY SENT TO OPERATOR		RECEIVED
OUT TOWAS TO OFFICE ION		

(5/2000)

Date: 1 8 · 2009
Initials: ¥5

(See Instructions on Reverse Side)

JAN 05 2009

DIV. OF OIL, GAS & MINING

# Application for Permit to Drill Request for Permit Extension Validation (this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-38715  Well Name: Hoss 22-32  Location: 1671 FSL - 1998 FEL (NWSE), SECTION 32, T8S, R23E S.L.B.&M  Company Permit Issued to: EOG RESOURCES, INC.  Date Original Permit Issued: 1/30/2007
The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.
Following is a checklist of some items related to the application, which should be verified.
If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes□No□
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☑
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes□No☑
Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes□No ☑
Has the approved source of water for drilling changed? Yes ☐ No ☑
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes□No☑
Is bonding still in place, which covers this proposed well? Yes ☑ No ☐
Millumi Wally "  Signature Date
Title: Operations Clerk
Representing: EOG Resources, Inc.

ΞD JAN 05 2009

## United States Department of the Interior



BUREAU OF LAND MANAGEMENT Green River District-Vernal Field Office 170 South 500 East Vernal, UT 84078 (435) 781-4400 Fax: (435) 781-4410

(435) 781-4400 Fax: (435) 781-4410 http://www.blm.gov/ut/st/en/fo/vernal.html

IN REPLY REFER TO: 3160 UTG011

July 8, 2009

Kaylene R. Gardner EOG Resources, Inc. 1060 East Highway 40 Vernal, UT 84078

Re: Notice of Expiration

Well No. Hoss 22-32 NWSE, Sec. 32, T8S, R23E Uintah County, Utah Lease No. UTU-56965

Dear Ms. Gardner:

The Application for Permit to Drill (APD) for the above-referenced well was approved on March 16, 2007. A one (1) year extension of the original APD was requested. The request was reviewed and the extension approved until March 16, 2009. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location in the future, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

If you have any questions regarding this matter, please contact me at (435) 781-4455.

Sincerely,

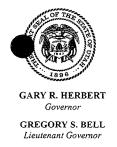
Cirdy Sucison

Cindy Severson Land Law Examiner

cc: UDOGM

RECEIVED
JUL 1 3 2009

DIV. OF OIL, GAS & MINING



# State of Utah

#### DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

January 5, 2010

JOHN R. BAZA
Division Director

Mickenzie Gates EOG Resources Inc. 1060 East Highway 40 Vernal, Utah 84078

Re:

APD Rescinded – HOSS 22-32, Sec. 32, T. 8S, R. 23E

Uintah County, Utah API No. 43-047-38715

Dear Ms. Gates:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on January 30, 2007. On February 4, 2008 and January 7, 2009 the Division granted a one-year APD extension. On January 5, 2010, you requested that the division rescind the state approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective January 5, 2010.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason

**Environmental Scientist** 

cc: Well File

Bureau of Land Management, Vernal

